

Homebuyer Assistance Grant Program

Terms and Guidelines

SUMMARY: A grant program for the purchase of a single-family, owner occupied, principal residence. If the borrower has had ownership interest in a principal residence in the last three (3) years from the date of purchase, they are not eligible for the program. This program supports non-military and military homebuyers. Military is defined as a member of the U.S. Armed Forces or National Guard and Reserves. Non-military homebuyers are eligible for grants up to \$3,000. Active military and veterans are eligible for grants up to \$5,000. Neither grant can exceed 25% of the sales price. Lenders can use the grant in conjunction with their own first lien or the grant can be combined with MSHDA's first mortgage and Down Payment Assistance (DPA) program. Lenders must use a waterfall review, i.e. a first lien with MSHDA; apply the grant, then if needed apply the MSHDA DPA. These funds may be used with any loan type.

PRODUCTS: This grant can be used on any first lien mortgage transaction including MSHDA products.

GRANT PURPOSE: The purchase of a single family/one-unit, owner occupied, principal residence.

GRANT TERMS: There is no lien and no repayment is required.

**SALES PRICE
LIMIT:** None

INCOME LIMITS: None

REQUIREMENTS: **First Time Homebuyer purchasing a single family/one-unit principal residence located in the State of Michigan.**

**ELIGIBLE
PROPERTIES:** Single family/one-unit homes and condominiums (attached or detached).

New or existing manufactured homes permanently affixed to a foundation and taxed as real estate.

GRANT AMOUNT: Grants shall not exceed the lesser of 25% of the purchase price of the home or \$3,000 for non-military applicants, and 25% of the purchase price of the home or \$5,000.00 for military applicants.

**CASH BACK AT
CLOSING:** Limited to the amount the buyer pays into the transaction outside of closing (POC's).

**APPLICATION
DOCUMENTS:** Homebuyer Assistance Grant Program Application/Affidavit

CLOSING DOCUMENTS: 1. Copy of Final Executed HUD-1